
OFFICE of LOGISTICS

Comparative Analysis of Operations

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FY-'58 thru FY-~~63~~65

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OFFICE OF LOGISTICS
COMPARATIVE ANALYSIS OF OPERATIONS
FY 58 THROUGH FY 63

CHART NO. <u>1</u>	OL Obligations and Personnel (AE) FY 58 - 63
CHART NO. <u>2</u>	Direction, Planning & Control - Obligations & Personnel
CHART NO. <u>3</u>	OL - Comparative Figures on Personnel
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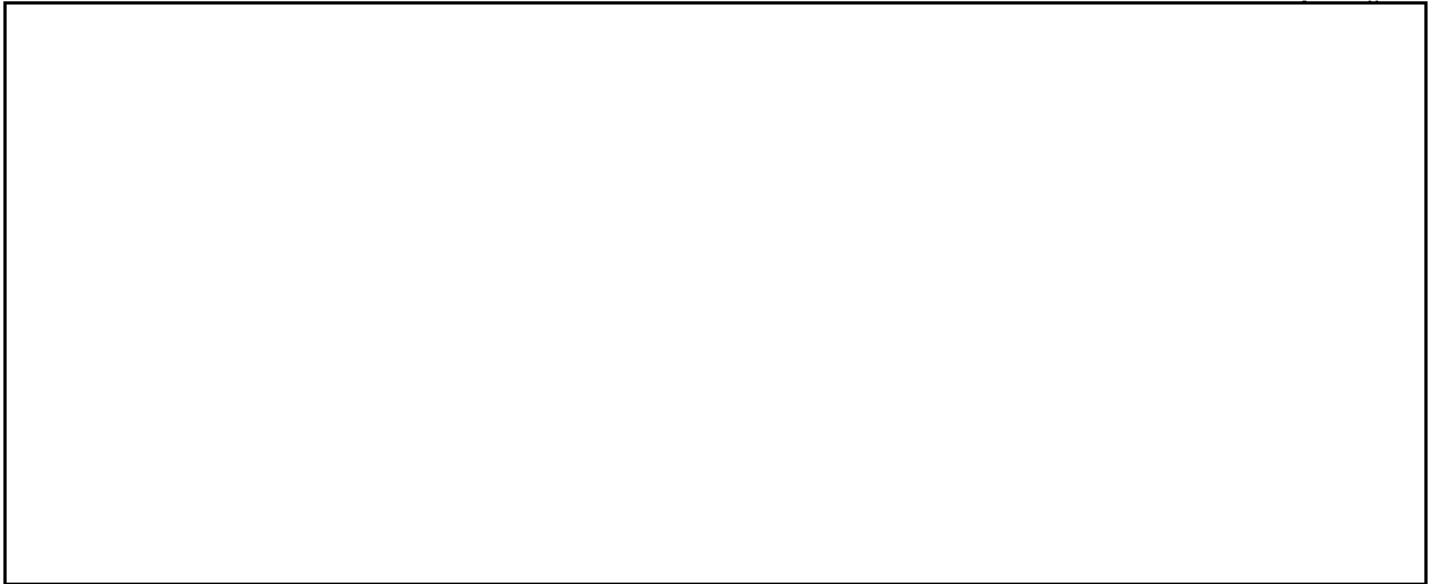
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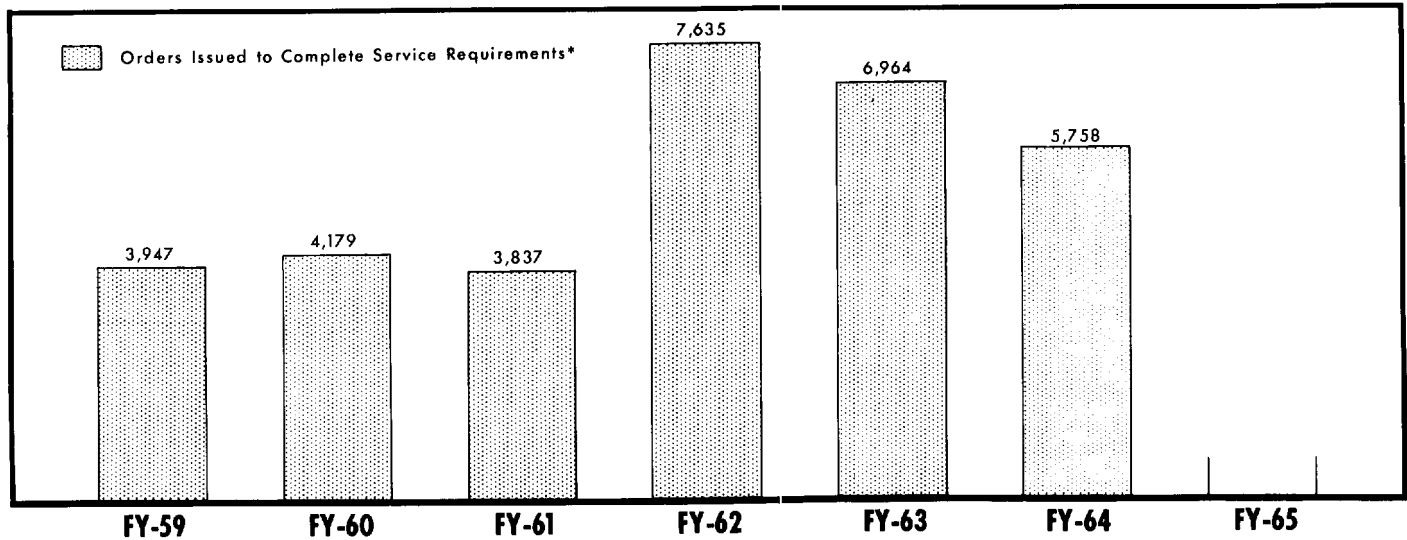
O/L- Logistics Services Division Telephone Section
Expenditures & Personnel - AE

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Telephone Activity

Chart #5



Station Equipment Activity

	1959	1960	1961	1962	1963	1964	1965
Connected	1,401	1,041	1,041	1,295	2,681	2,745	
Disconnected	1,166	919	717	882	1,971	3,013	
Relocated	2,140	2,016	1,588	1,393	2,685	2,536	
Modified	2,149	1,611	1,206	1,724	3,202	3,101	

*Orders issued to the Telephone Companies, American District Telegraph Companies and Federal Engineering Company.

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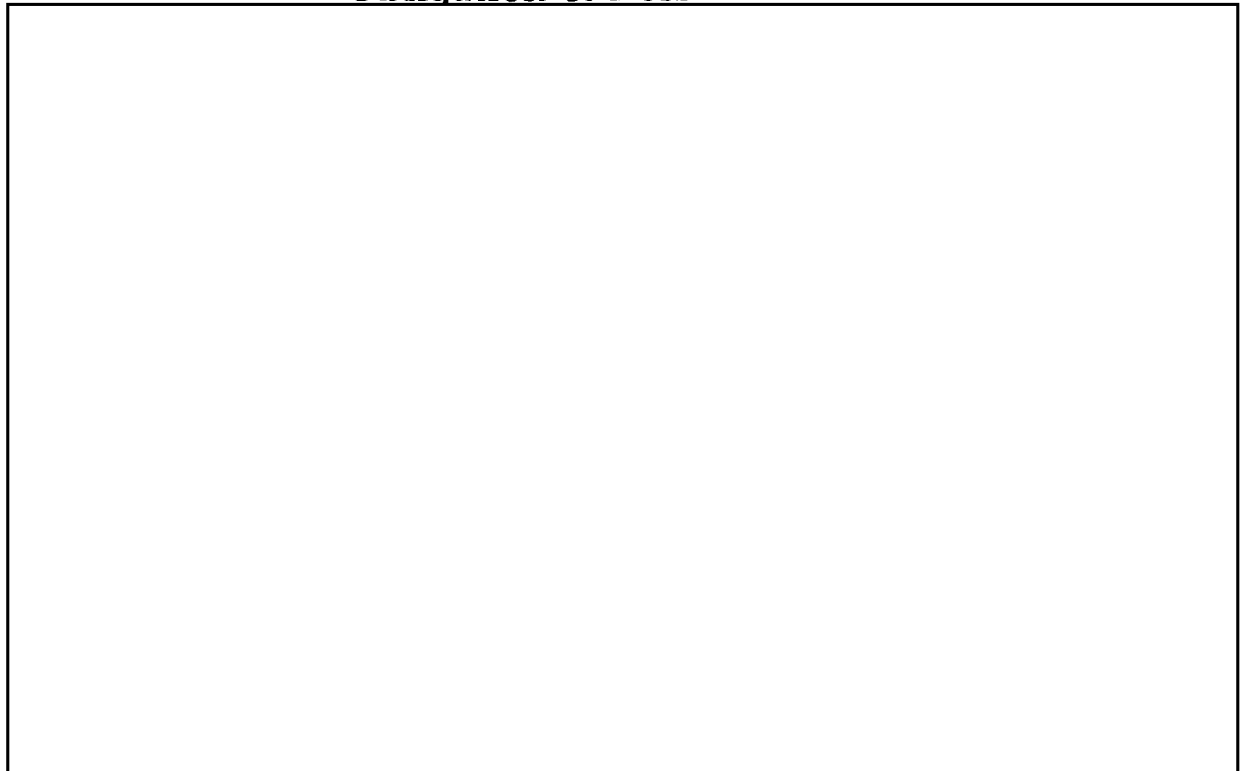
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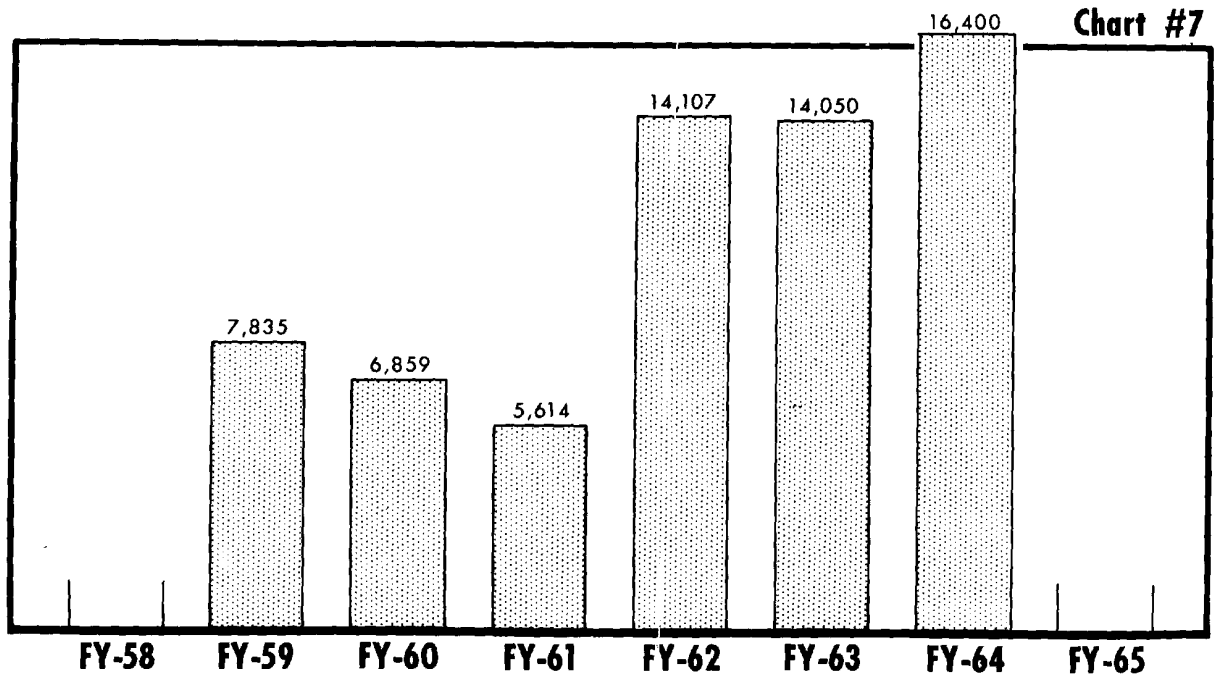
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O/L-Logistics Services Div. — Space Allocations & Facilities Obligation & Personnel - AE

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Service Requests Processed



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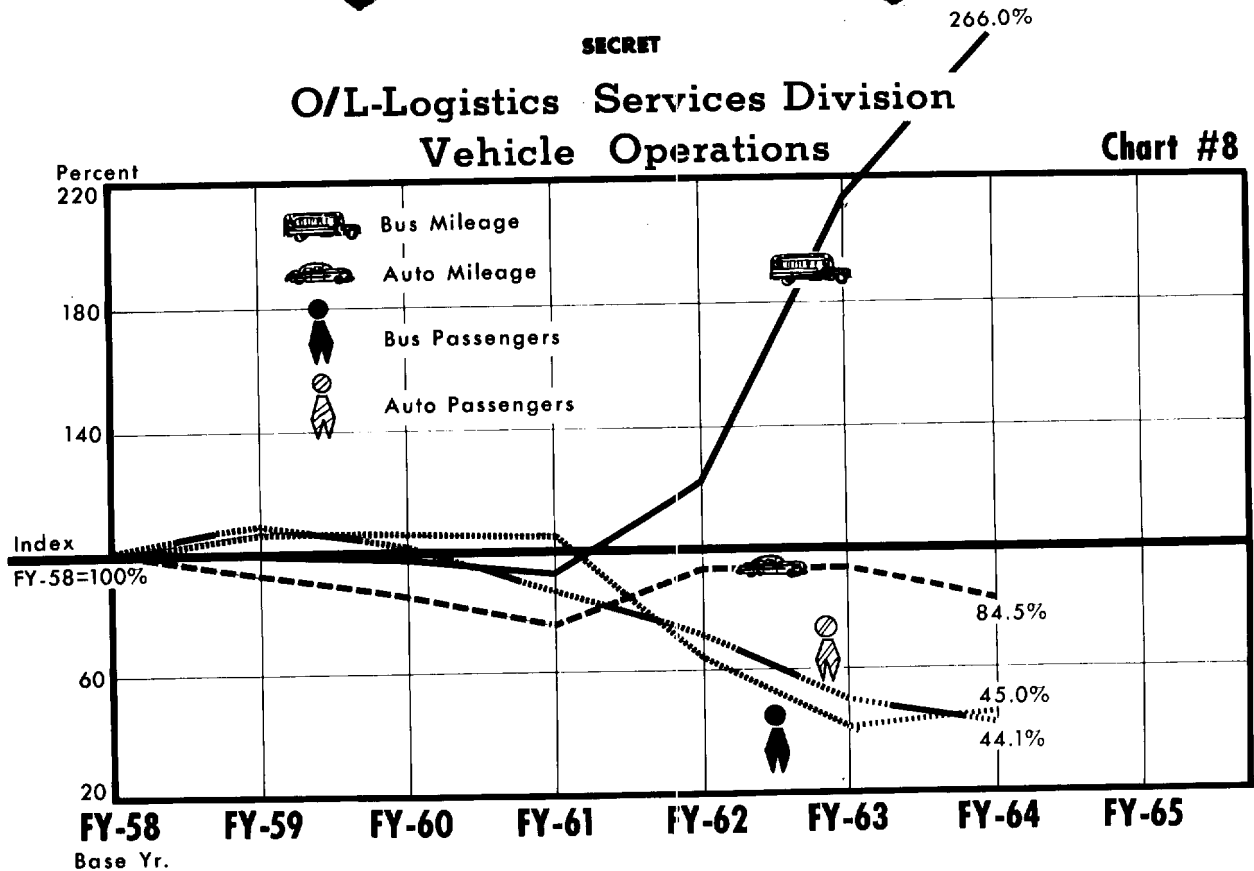
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O/L-Logistics Services Division Vehicle Operations

Chart #8



Courier Services

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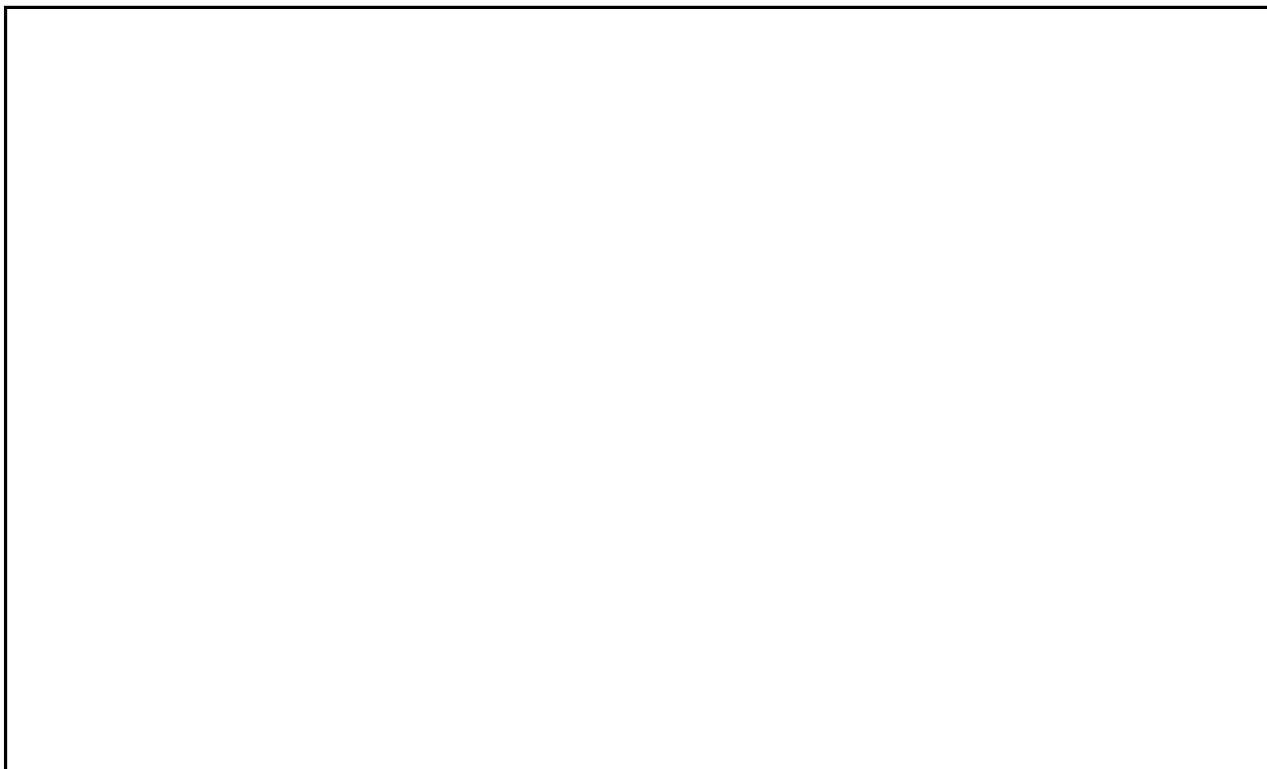
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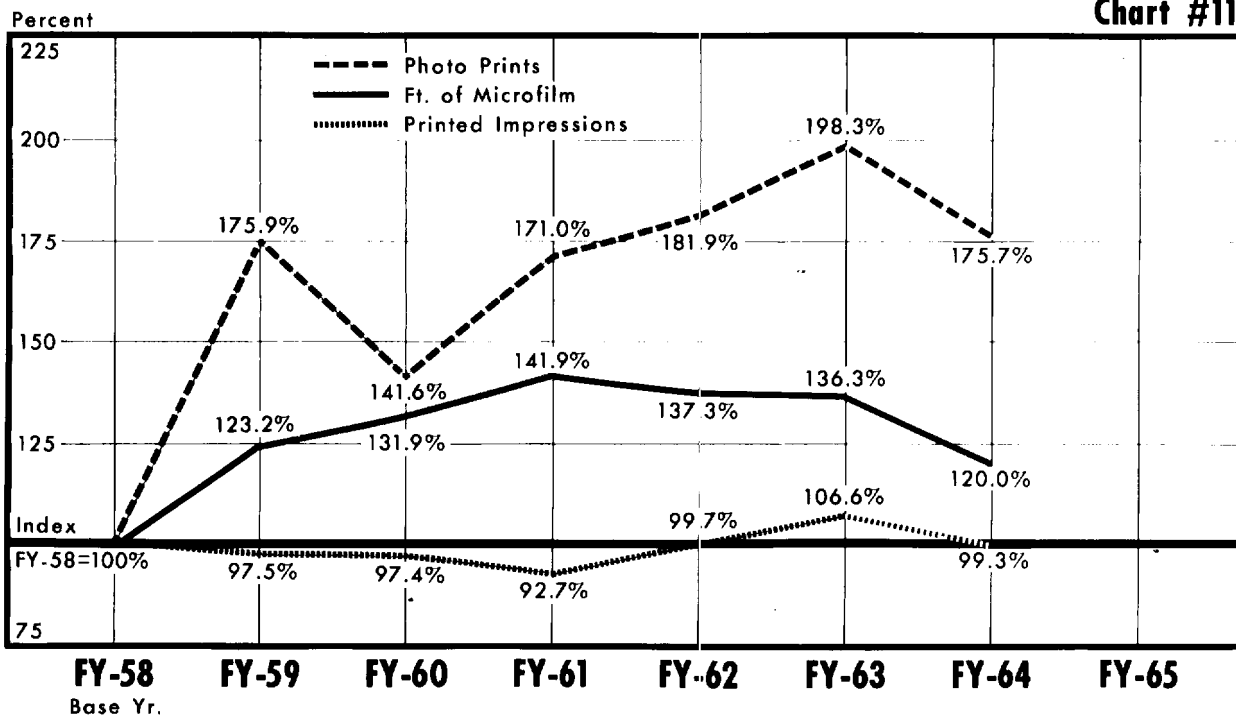
O/L-Printing Services Division

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Production Trends

Chart #11



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Photo Prints 2,236,289
Ft. of Microfilm 700,296
Printed Impressions 189,992,881

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**PROCUREMENT DIVISION
PRODUCTION STATISTICS**

<u>FISCAL YEAR</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
Procurement Actions	18,234	18,032	17,363	18,153	19,969	23,231	25,184
Line Items			43,480	47,441	54,756	58,983	63,296
Requisitions			13,061	14,663	15,853	16,998	18,669
Contract Administration							
Amendments and Work Orders					637	662	1,065
Invoices Processed					5,973	6,939	7,874
Contracts Settled					215	211	332

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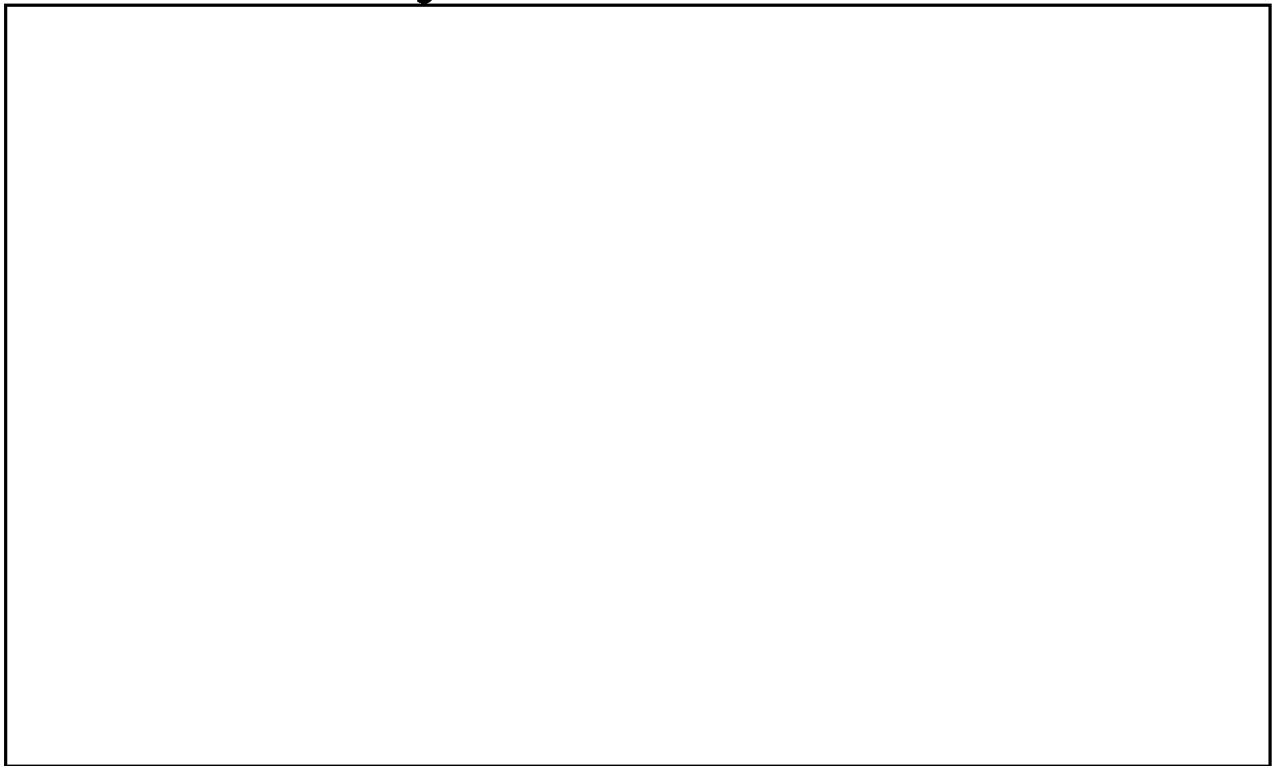
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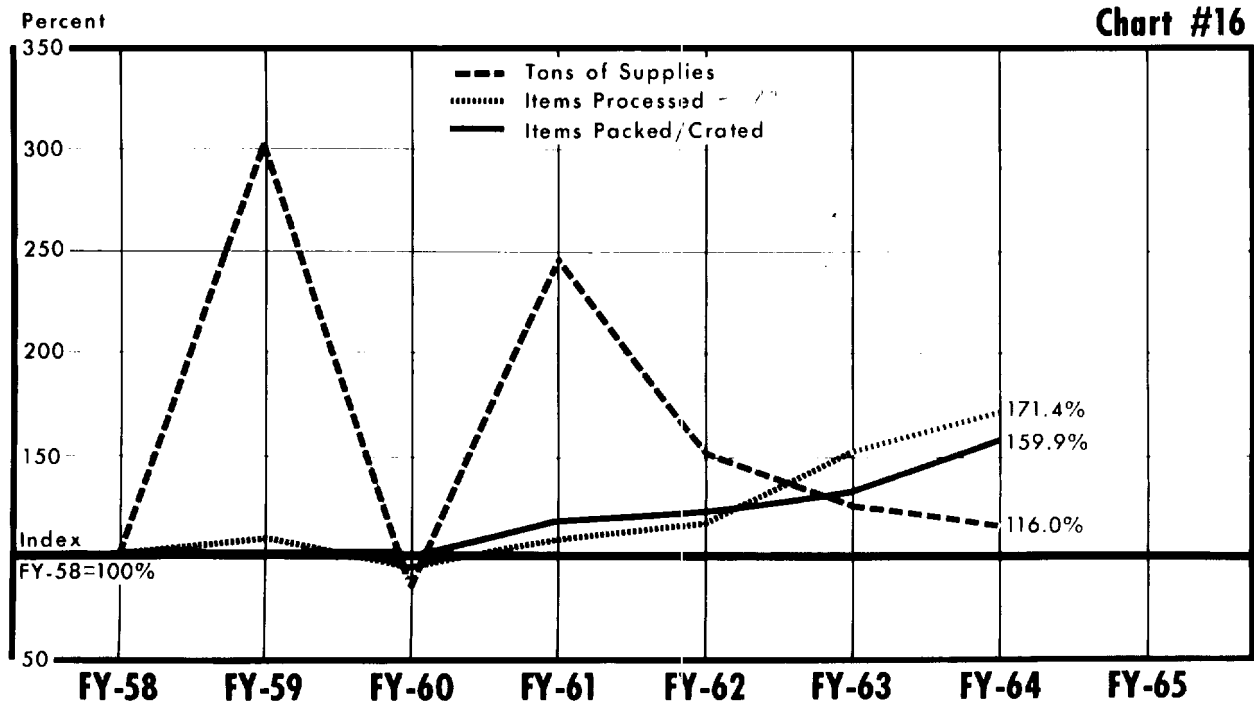
O/L-Supply Division Obligations & Personnel - AE

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Workload

Chart #16



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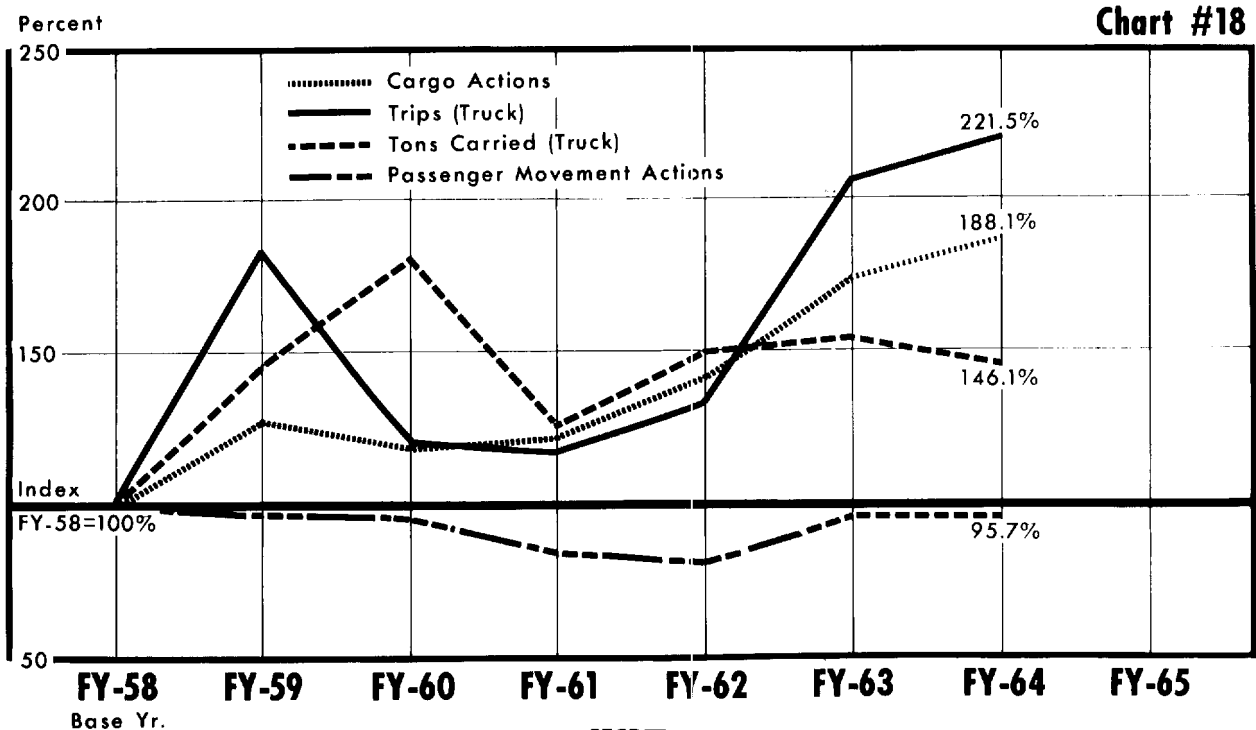
O/L-Transportation Division

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Workload

Chart #18



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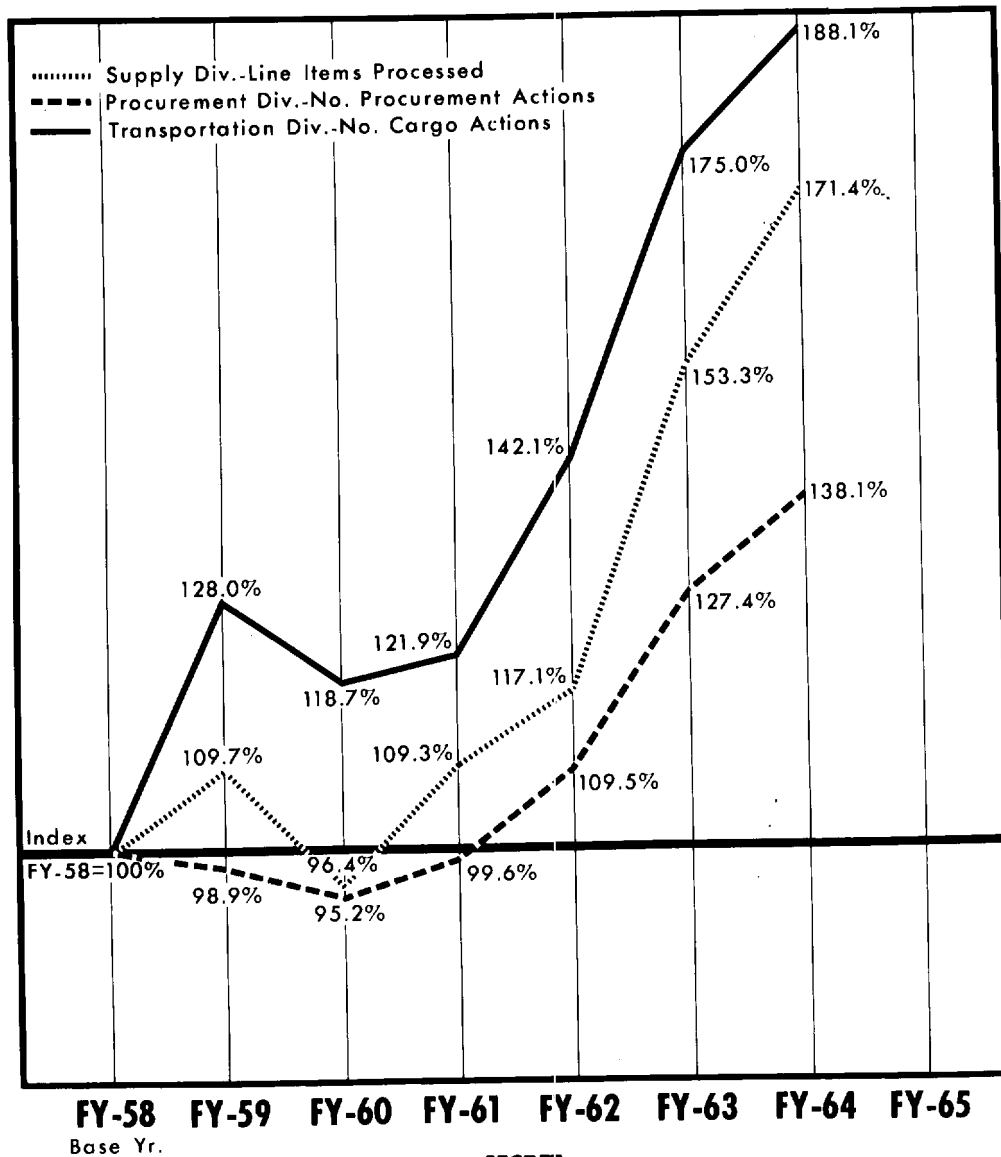
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O/L-Supply, Procurement and Transportation Divisions Workload

Chart #19



10 July 1964

OFFICE OF LOGISTICS
COMPARATIVE ANALYSIS OF OPERATIONS
FY 58 THROUGH FY 63

1. Introduction

This study consists of a critical analysis of the cost of operating the Office of Logistics, and of the volume and quality of service rendered for the period FY 58 through FY 63. The OL budget is presented graphically to show the ratio between the cost of personal services and the total of other costs. Selected statistics are presented in graphic form to portray workload comparisons and general trends in volume of work as reflected by the specific work unit measured. Fiscal year 1958 is used as the base year from which succeeding fiscal years are measured. Each chart has been analyzed and unusual fluctuations in expenditures and significant changes in trends are appropriately explained. Also included are discussions on the major changes in procedures and systems, the introduction and application of new equipment and devices, and those additional management techniques which have contributed toward a more efficient and effective operation.

2. Budget and Personnel

a. The attached Chart No. 1 is a graphic presentation of the total OL budget showing the breakdown of obligations according to object class for FY 58 through FY 63, together with corresponding average employment figures. This chart describes a 33 per cent increase in total OL costs of FY 63 over the FY 58 base year. The ratio between the cost of personal services and the costs of other objects is found to be relatively stable.

b. Chart No. 2 shows the cost of only those elements of OL having to do with direction, planning, administration and control. Generally, there is little, if any, variance between personal services and other costs for those elements following within this category. The increase in other objects in FY 60 was due to the inclusion of a one-time expense for a contract negotiated to accommodate the National Security Agency. Unlike the work of the operating elements of OL, the work performed by the segments represented on this chart does not lend itself to statistical measurement. For this reason, a costed quantitative production analysis is not feasible.

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c. Comparative figures on personnel for the period FY 58 through FY 63 are shown on Chart No. 3. The peculiar disparity in the FY 61-62 figures is of interest and is explained as follows:

(1) The increased per capita cost in FY 61 is mainly attributable to the 1960 Pay Act which was effective at the beginning of FY 61 (July 6, 1960). The decrease in average employment is attributed to the demands made upon OL to furnish logistics personnel for the [redacted] project, which was then the major emergent project of the Agency.

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(2) In FY 62, the OL was authorized to temporarily exceed its ceiling in order to satisfy certain requirements for lower graded and blue-collar type workers. This resulted in a lower average salary and accounts for the slight reduction in per capita costs in FY 62. The requirements for these additional employees were engendered by heavy demands for couriers, and for additional laborers at the [redacted] to cope with the near collapse of the warehouse roof.

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3. Logistics Services Division

a. Telephone Facilities Branch

Charts No. 4 and 5 show the cost of providing telephone service, and comparative workload figures for the period indicated. The primary reason for the substantial increase in the Agency's telephone expenses (141.5 percent since FY 58) is because Virginia's rates for facilities, equipment and services are much higher than those in the District of Columbia and Maryland. For example, the cost of a local call in Virginia is five cents (\$.05), whereas the D. C. cost is three and three-quarter cents (\$.0375) per unit. The increase in monthly equipment rental costs, which commenced in FY 61, is accounted for as follows:

(1) The C & P Telephone Company of Virginia equipment rental costs and installation charges exceed those of the D. C. company by as much as 290 percent.

(2) Recurring equipment rental costs are incurred for the internal Red Line dial switching facility at the Headquarters building.

(3) The new PBX telephone system includes direct-dial facilities on which monthly rental costs are incurred. The acquisition of this facility resulted in a reduction of four (4) telephone operator positions.

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(4) Additional tie-line trunks are leased on a monthly basis and are used to interconnect the Agency PBX equipment located in the Headquarters building with the dial satellite equipment in South Building. This wiring arrangement has eliminated the need for the services of Agency operators at both locations.

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(5) Another item contributing to the increase in equipment costs is the installation and rental of [redacted] Business telephones and related foreign zone mileage charges. During the period FY 58 through FY 63 these lines were increased from 204 to 302.

(6) The Private Line service between key officials is a new service feature provided since FY 61. This facility is less costly than the Dictograph intercommunication system used prior to the move to the new Headquarters building.

b. Space Allocation & Facilities Branch

(1) An analysis of the budget data pictured on Chart No. 6 covering the cost of the space allocation and Facilities operations discloses that the FY 58 figure includes non-recurring costs for space alterations due to extensive moves of DD/P elements, and \$150,000 for air conditioners procured for subsequent installation in the departmental area. The decrease in the FY 59 figure, and following into the next two fiscal years, is largely the result of PBS having assumed the cost of rents being paid on certain departmental real estate, such as properties at [redacted] 1016-16th Street, and the [redacted]. The cost of installing air conditioners appears as a non-recurring cost in FY 59. Expenditures for space maintenance and alterations were kept to a minimum during FY 60 and FY 61 because of the then short term occupancy of the tempo buildings in the departmental area. The cost of relocating Agency elements to the new Headquarters building during the fall of 1961 is reflected by the increase in FY 62 expenditures. An additional increase in the FY 63 expenditures is attributed to the costs involved in getting occupants settled in [redacted] and to the \$425,000 service order for the operation of that building.

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(2) The number of service requests processed was selected as the variable to measure the trend in workload for the period FY 59 through FY 63. This trend is shown on Chart No. 7. The sharp rise in requests in FY 62 may be explained by the move to the new Headquarters building during the fall of 1961 and spring of 1962. During this time it was necessary to

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25X1 maintain two branch offices - one downtown and one at the new building. Problems involved in getting occupants settled in the new building accounts for the continued high volume of requests during FY 63. Added to this is the fact that [] was occupied during the first part of 1963.

c. Passenger Vehicle Branch

(1) Prior to FY 63, the budget requirement for this activity was not carried as a separate line item in the OL budget. For this reason, budget and personnel data for this Branch does not appear in this study.

(2) The graph and charted operations of this Branch (Chart No. 8) indicate that while our vehicles travel farther, they are carrying fewer passengers. This, it is believed, can be explained by the fact that within the last 18 months there has been a greater concentration of Agency employees in the Headquarters building than exists in any complex of buildings in the city. At the same time, all vehicles must start from and return to the Headquarters building located between 12 and 13 miles from the general area of temporary and permanent buildings occupied by the Agency in the city.

d. Mail and Courier Branch

Chart No. 9 shows the continuing increase in the cost of providing mail and courier service for the Agency. The principal reason for the increase in personal service costs is attributable to the sixteen (16) employees assigned to this Branch to maintain and operate the pneumatic tube and conveyor belt systems in the Headquarters building. Another contributing factor is the increase in number of vehicles and the additional cost of operating the vehicles because of the greater distances traveled.

4. Printing Services Division

The Printing Services Division has been able to meet the gradual but continuous increase in requirements through (a) increase in number of employees, (b) adoption of new methods and procedures, (3) use of new equipment, and/or through a combination of these elements. Chart No. 10 on budget and personnel shows a stable ratio between the cost of personal services and other objects. Production figures and workload trends are pictured on Chart No. 11.

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a. Photographic Prints

(1) Photographic Prints, the item which shows the greatest growth pattern, have been produced largely through the introduction of new high-speed photographic equipment. The item Photographic Prints is a heterogeneous figure and represents production from a number of different photographic processes and skills and takes no account of size or difficulty of processing.

(2) During the time under consideration there has been a revolution in the methods of copying documents. Prior to 1958 copying of documents was limited to photostat copying or micro-filming and making enlargements. Both of these processes are recognized as being extremely slow. The development of the Xerox electrostatic method of copying has all but obsoleted photostat copying and the old hand method of enlarging from microfilm. Production comparisons between photostat copying and Xerox copying are as follows:

Photostat	- one print about 14 minutes to produce with additional copies being produced approximately every ten seconds.
Xerox	- produces 20 feet of paper per minute (20 8x10 prints per minute).

(3) PSD first utilized the Xerox equipment on a rental basis during FY 58. This accounts for the noticeable increase in photographic prints made between 1958 and 1959. Included in this operation was a Xerox machine located in Records Integration Division, DD/P. This machine was manned and operated by PSD. The control and operation of this machine was transferred to RID in May 1959. This resulted in the steep decline in the number of Xerox prints produced from 1959 to 1960. The trend reversed itself the next year and has been increasing since then.

(4) Other pieces of equipment which have contributed to a greater photographic printmaking capability are the 70mm camera and roll easels. The 70mm camera is used to copy photographic prints for the Graphics Register, OCR, library. By using this camera copying, capability was increased 100 per cent over the old method of copying. This camera was purchased and became operable in 1960.

(5) In the photographic industry it has been a recognized fact that processing and printing can be accomplished much faster when using rolls of film and rolls of paper rather than cut sheets of film and cut sheets of paper. During the years under consideration, the Division introduced the use of a roll processing and printing, whenever possible. Presently four easels (modified to our own type of production) and two roll processors are in operation.

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(6) These are the principal innovations which have made it possible for PSD to increase production, improve quality, and provide timely services during the years under consideration. As stated above, increases in photographic production have generally followed PSD's increased capability to make prints. Requirements increase with our ability to produce.

b. Microfilm

(1) In the overall printing production effort, processing microfilm is not a particularly significant item. It is also subject to sizeable fluctuations because of the large capacities of the machines involved. Our reported item "Feet of Microfilm" is a heterogeneous figure including motion picture film processed, microfilm processed, ozophane film processed, and direct positive film processed. These are all machine operations capable of processing film at rates of 5 to 30 feet of film per minute. Our equipment is large (it takes 600 feet of film just to thread one microfilm processor) and diversified. For nearly every type of film processing a different type of processor is required.

(2) The beginning of the Walnut System in the DD/P initiated sizeable film processing requirements on PSD. From the middle of 1958 until the early part of 1960, this processing was done on the motion picture processor. A gradual buildup of requirements occurred during this time which necessitated the acquisition of an Anatec processor to meet these specific requirements. This machine commenced processing Walnut film in May of 1960. From the beginning of the Walnut System until the acquisition of the Anatec processor, considerable backlogs of film to be processed had developed. With the added capability of the Anatec processor these backlogs began to diminish.

(3) In August 1958, the Assistant Executive Officer, DD/P, was studying the feasibility of resizing Field Index cards in field stations and at Headquarters. To accomplish this resizing for standardization, approximately two million cards size 5 x 8 and 4 x 6 would be copied on microfilm, the film processed, and printed out as 3 x 5 cards. It was estimated that this project would take about two years to complete. This project was actually begun on a modest scale during the latter part of 1958. In early 1959, PSD sent a team of photographers to the Middle East to film index cards of stations in that area. This signaled the earnest beginning of the project which was to run until 1961. DD/P projects are principally responsible for the increased workloads in the area of feet of microfilm processed during the years considered. It is to be noted that there is a gradual falling off in the processing of microfilm. This is attributable to completion of the resizing project and a reduction in

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c. Printed Impressions

(1) The term "Printed Impressions" includes impressions printed by several different processes and is, therefore, a combined figure. The processes involved include addressograph, ditto, mimeograph, offset, and letterpress impressions. In recording impressions, no significance is placed on different sizes. The small addressograph impression is given equal weight with the large offset impression. Colors are counted as separate impressions as each requires a separate run through the press.

(2) The Division operates over 50 presses with rated capacities of 4,500 - 7,000 impressions per hour. Thus the printed impression potential is quite large. This explains the figure of over two hundred million impressions printed during FY 63.

(3) The number of impressions printed ^{is} are so large that small changes in the number have little significance on the percentages. A rather sizeable change in numbers may mean the difference of only a few percentage points which again is not particularly significant. The variety of "impressions" described above makes for fluctuations in the impression figure.

(4) Thus the few percentage point variations during the years under consideration have very little significance from the standpoint of overall production. These variations are normal and expected. It is anticipated that these variations will continue so long as Agency requirements remain substantially as they have during the period under consideration. It is interesting to note that the trend has been up for the last two fiscal years.

d. The Agency cannot afford a continuously increasing number of people to do its printing. Nor can it afford to staff for anticipated peaks of production. The present number of people assigned to the Division is large, but must remain so because of the "state of the printing art" and the high level of requirements. PSD has held the line on numbers of employees, increasing personnel only because of new, large requirements or acquisition of new functions. PSD believes that its plan for a new building in which to house two printing plants and a program of technical improvement will permit it to reduce personnel while producing all Agency requirements adequately.

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SECRET**5. Procurement Division**

a. The gradual upward trend in the cost of operating the Procurement Division is pictured on Chart No. 12. Although there is only a slight variance in the ratio between personnel costs and the cost of other objects, it is significant that the trend appears to be toward a continuing increase in the other objects category. A review of the budget data discloses that the establishment of the [redacted] during FY 60 accounts for the increase in the other objects ratio for that fiscal year. The continuing higher ratio for other than personal services during the succeeding fiscal years is attributed to the recurring expense of TDY and PCS travel, and to the cost of movement of household effects of personnel assigned to the [redacted]

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b. Chart No. 13 shows the breakdown in funds obligated for material and services contracts and purchase orders, and for research and development contracts. This chart, supported by the accompanying statistical tabulation on workload, shows clearly that there is a decided upward trend in procurement activity.

c. The following discussion covers those situations and factors that have contributed significantly to the additional workload, and lists those new systems and procedures installed during the period indicated:

(1) FY 58: The Logistics Reference Room as presently constituted was transferred from the Administrative Staff to the Procurement Division.

(2) FY 59: A Flexowriter system of preparing purchase orders was installed which enabled the existing clerical personnel to handle the increased workload volume.

(3) FY 60:

(a) An extension of the Contract Branch, known as the [redacted] was established

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(b) Supply and Procurement Divisions collaborated in efforts to make maximum use of excess materiel from other Government agencies. Records of monetary advantage to the Agency are available for FY 63 and 64.

(c) Studies were made and Yearly Supply and Term-Type Supply Contracts applied to some recurring requirements of standard items of continued use not covered by GSA schedule.

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(4) FY 61:

(a) Procurement support to WH Project JMWAVE was not only in additional actions, but tested the mettle of personnel to react adequately to the crash requirements and deadlines levied at this time.

(b) Emphasis was placed on development of new sources in order to stimulate competition in all areas of procurement, including research and development. This is a continuing program and of proven value under present day conditions.

(5) FY 61 - 62:

(a) A program of control and inspection of Government furnished equipment in the hands of contractors was begun in FY 61 and gained momentum in FY 62 with the addition of a position for a Property Administrator. This continuing program is now well established and considered a very profitable use of time.

(b) Expanded activity of the National Photographic Interpretation Center on a continuing basis and procurement of furnishings and equipment for [redacted] contributed to expanding workload for this period.

(6) FY 63:

(a) Effective 1 July 1963, the MILSTRIP system of single line item submission of requests to military establishments was implemented. This was inaugurated as a Flexowriter procedure and added considerable workload to the section processing these actions, as well as accounting for some of the sudden increase in procurement actions processed this fiscal year.

(b) A program of evaluating contractors from technical, financial, administrative, and cooperative points of view was begun. This is a continuing program and, though still subject to refinements, has proved of value to technical offices of the Agency, as well as to Procurement Division personnel.

(c) Procurement support to Project [redacted] accounts for some of the increase in number of procurement actions and close to \$3 million of the additional dollars expended this fiscal year.

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6. Real Estate and Construction Division

a. Budget and personnel data for this Division appear on Chart No. 14. The unusual condition pictured in FY 64 was occasioned by a bookkeeping entry of \$300,000 in connection with the acquisition of land at Headquarters. Average employment has remained fairly constant until 1962, when the Building Planning Staff was phased out and personnel of that staff were transferred to RE&CD.

b. Because the work of this Division does not lend itself to measurement by a specific work unit, no effort has been made to develop a statistical trend in volume of work performed. The tabulations attached to Chart No. 14 are presented to describe the magnitude of the operations performed by this Division. Generally speaking, our total worldwide construction projects, actually awarded and under contract from 1958 through FY 1964, have averaged about \$2,000,000 annually except in 1962 when they increased sharply as contracts for about \$5,000,000 were awarded for construction at [] and a contract for approximately \$12,000,000 was negotiated for the rehabilitation of []. There is every indication that the level of construction will rise in FY 65, particularly if we proceed with the proposed Commo facility [] at an estimated cost of about \$10,000,000. We are already committed to the construction of a new building at the Langley site for the Printing Services Division at a cost of about \$1,730,000. Extensive construction is in progress at [] and further large scale construction is programmed for this year.

c. It is a little difficult to definitely assess the "man-power loss" due to travel in connection with our construction projects. Certainly we are handicapped by extended TDY trips such as the FE trips of the Division Chief in 1963 and 1964 (1963 - 5 weeks; 1964 - 4 weeks); his trip to the NE area in 1962 (6 weeks). The Deputy Chief has been away from the office since 23 June 1964 on a survey trip [] has been in [] since 21 April 1964.

d. The construction project at [] has required almost weekly trips (1 day) of one or more engineers over the last four years. [] a more or less continuous and expanding

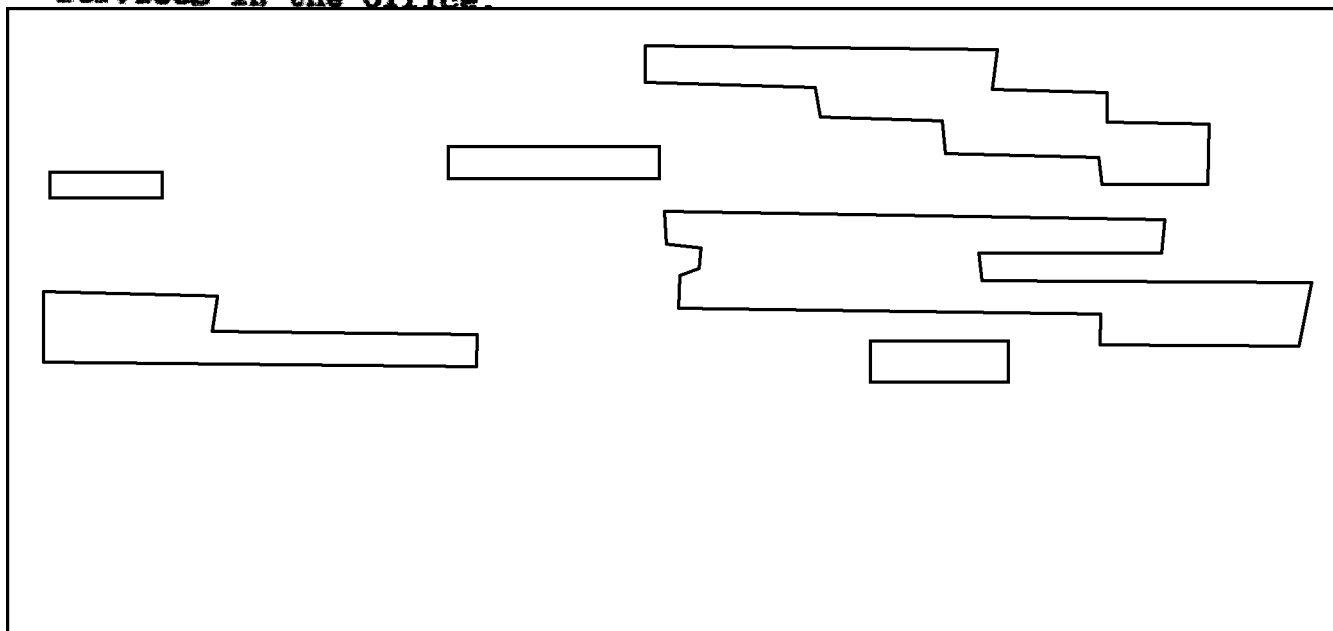
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construction program necessitates assignment of a project engineer on what amounts to a full time basis.

e. The rehabilitation of [] did not require TDY travel, but it became a full time job for the Deputy Chief for most of 1962, with the resulting loss of his services in the office.

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h. Unforeseen crash requirements present staffing problems, such as the recent request for a diesel-engineer for [] This was accomplished by the hurried assignment of an engineer from [] for a period of probably 90 days.

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i. We recognize that this travel is a necessary function of the division in order to properly supervise and monitor our construction and real estate activities. However, with a staff as limited as that in the division, it does present a problem in staffing the office positions and performing extensive but necessary travel.

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SECRET**7. Supply Division**

Chart No. 15 on budget and personnel for the Supply Division shows a relatively stable ratio between cost of personal services and the other objects, excepting for the variance indicated in the FY 59 expenditures. This increase is attributable to the non-recurring cost of establishing [redacted]. The workload figures for the Division appear on Chart No. 16. The following discussion provides explanations for the unusual variance in workload and expenditures, and lists in chronological sequence the major changes in systems and procedures during the period under study:

a. FY 59:**(1) Financial Property Accounting.** [redacted]

[redacted] was finalized, published, and distributed for implementation of FPA at smaller stations.

b. FY 60:**(1) Financial Property Accounting.** [redacted]

[redacted] were converted to Type II Financial Property Accountability.

(2) Expansion of [redacted] **The** types of items authorized for direct procurement by field activities through the [redacted] were expanded to include end items and also standard type American-manufactured household radios, parts and accessories. At this time, [redacted] were authorized direct procurement from [redacted]

(3) Excess Materiel Listings. Procedures for dissemination of excess materiel listings were finalized and processing arrangements were established whereby excess materiel could be issued at "no cost" to operating elements.

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c. FY 61:

(1) Financial Property Accounting. [redacted]

[redacted] installations began operating under Type II Property Accounting Procedures. [redacted] was also converted to Type II Property Accountability Procedures. Three Headquarters Controlled Accounts were converted to Type II Financial Property Accounting Procedures. Thirty-one (31) Headquarters Controlled Accounts not suitable for conversion to the Type II system were converted to Property In-Use Accounts and were identified by a four digit number related to Financial Codes.

(2) Special Awards Program [redacted]

The Special Awards Program was implemented. The first award presentation ceremony was held, and certificates and plaques were presented to the outstanding employees and to the supervisors of those units selected for the monthly and quarterly awards. It is the opinion of this Division that the program objectives, viz., improved performance and increased morale, were realized.

(3) Establishment of the Electronic Data Processing (EDP) Program. Programs for the conversion of Supply Division records to EDP have been completed. This is a culmination of an 18-month study comprising a complete systems review and program writing. At this time, parallel operations were maintained using both EAM equipment and EDP equipment.

(4) Relocation of Depot Stock Control Branch to [redacted]

[redacted] During this period Depot Stock Control Branch began operations at its new location in [redacted] As a result of this relocation, the Division accomplished further improvements in supply operations, such as reduction of files, elimination of duplicate functions, and more effective coordination between the warehouse and Stock Control activities.

(5) Economic Order Quantity (EOQ). The Economic Order Quantity system of replenishing stocks was initiated. Detailed inventory analysis was completed; EOQ tables incorporating variable safety stock requirements were developed; and review points (replaces stock levels) were established for approximately 5,000 items.

(6) Supply Operations of [redacted]

Supply Operations in support of [redacted] increased the [redacted] workload by 13%. However, more significant is the workload increase of 304% experienced by the [redacted] primarily created by [redacted] Twenty-four (24) people from Supply Division were detailed either overseas or to area divisions in support of this project.

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(7) Packing and Packaging. The use of Tek-Wood fiber-board shipping containers in lieu of wooden boxes for sea cargo was initiated during this period. This reduced labor and materiel costs and met with the approval of the [redacted] which received shipments packed in this manner.

(8) Regulations. Headquarters [redacted] Supply Regulations (formerly comprising ten different regulations) were consolidated into one basic regulation.

(9) Packing Materiels. An agreement was reached whereby [redacted]

d. FY 62:

(1) Obsolete Materiel. All obsolete materiel in the supply system at this time was identified and coded, and procedures for disposal actions were written and put into effect.

(2) Expendability Change. The new expendability criteria whereby items costing \$50 or less are considered expendable for formal accounting purposes were placed in effect at Headquarters, and implementation instructions were furnished to field installations. The dropping of 4,046 stock items, representing 70,573 individual units valued at \$1,752,227 from Headquarters accounts, decreased the workload involved in maintaining the Property In-Use Accounts.

(3) Establishment of Electronic Data Processing (EDP) System. The parallel operation with the EAM equipment was discontinued. The EDP System began providing all of the status runs and reports used by the Supply Division.

(4) Packing and Packaging. A new, automatic spot-welding steel-banding machine was integrated into the packing and crating conveyor system. This increased production and decreased the labor costs of banding boxes for shipments from the [redacted]

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(6) Shipping Nomenclature List. The Agency peculiar devices Shipping Nomenclature List was completed. It has been supplemented and revised as changes in types and classes of items have developed.

(7) Re-evaluation of Unit Prices. The re-evaluation of unit prices of certain ordnance materiel to reflect more realistic, fair market values and replacement costs resulted in a \$40,000,000 decrease in ordnance asset totals.

(8) Expansion of [redacted]
As a result of the increase in the types of items available and the station authorized access, [redacted]

e. FY 63:

(1) Financial Property Accounting. All Headquarters Controlled Accounts which were selected for conversion to Type II FPA were completed.

(2) Automatic Data Processing. A computer program was established to develop Excess Materiel Lists and also to provide information to effect disposition of residual materiel for which no requirements exist. This program became an effective management tool for future excess lists and any subsequent disposal actions necessary.

(3) Packing and Packaging. The [redacted] was relocated and the [redacted] has been centralized. A new packing equipment and conveyor system was installed and placed into full operation. The evaluation to date indicates that the new packing methods and procedures will result in increased output.

(4) Additional Space. [redacted] was acquired on a temporary use permit from General Services Administration. This provided the [redacted] with 73,000 square feet of off-base storage space.

(5) Materiel Expansion at [redacted] Stocks of recurring demand administrative items were positioned at the [redacted] and issues began being made directly to the field.

(6) Ordnance and Airborne Materiel. As recommended by Supply Division and concurred in by the Planning Staff and the Special Operations Division, a stockage objective study was finalized and submitted to the Director of Logistics.

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The study recommended the stock objectives for paramilitary type items which are considered necessary to adequately support paramilitary activities in a more efficient and economical manner. Also, the study incorporated all special requirements such as [redacted] and Senior War Planner, Europe.

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(7) Regulations. Nine sections of the Supply Division Procedures Manual were finalized and published.

f. FY 64:

(1) Consolidation of Shipments. A shipment planning and scheduling unit has been established within [redacted] to program the processing of warehouse actions and packing and crating by date within the capacity of the depot. This allows a systematic analysis of shipments for purposes of consolidation. Scheduling the workload to provide warehouse activity and in the effective consolidation of shipments to the same destination.

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(2) Cataloging. All new unclassified and nonsensitive items are being forwarded to General Services Administration and DOD for stock numbering and identification. This provides the catalogers in the section with the complete and proper identification of items as used throughout the Federal System and also eliminates the typing of item descriptions. As a result, the catalogers will have more time to devote to the refinement and purification of Agency Supply Catalogs and supply management data.

(3) Labor and Work Simplifying Devices Installed. [redacted] received a Guide-O-Matic train which has contributed extensively to the increased movement and even flow of materiel within the depot. The train provided a distinct advantage from the standpoint of safety through the elimination of extensive forklift traffic. Polytite and Shrink-pack packaging machines were installed at the [redacted]. The installation of these machines has provided better customer service through the reduction of damaged or soiled materiel and has provided increased production over manual operations. Rotary Power Files were installed in Depot Stock Control Branch. With a push of a button, shelves rotate within two seconds to produce the desired set of files for filing, pulling, and refiling. A fiberboard box making machine, automatic hand operated nailing and stapling machines, banding machines and a tape dispenser were installed at [redacted].

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(5) Disposals. A procedure has been established whereby the disposal of typewriters and office machines is handled through General Services Administration for direct sale and reimbursement to the Agency rather than receiving a trade-in allowance from the vendor toward purchase of new machines.

(6) Procedural Improvements. The property turn-in procedures have been revised to eliminate manual posting of items contained on the property turn-in form. This revision will be realized by a cutback in the documentation flow. The preparation of a receiving report for gasoline deliveries has been discontinued. This eliminated the distribution and filing of some 1,600 pieces of paper annually. Stock replenishment functions were transferred from Depot Stock Control Branch to Supply Management and Cataloging Branch. This resulted in the single control by experienced and competent supply management technicians for the purpose of achieving a more effective supply management system. The processing of service type requisitions has been revised so that the requisitions are routed directly to Procurement Division bypassing Supply Division. This eliminated the assignment of voucher numbers, registering the document, reproduction, distribution, and filing.

(7) Depot Operations. [] is converting its depot storage containers from wood to metal pallets. The primary advantages of the metal pallet are realized through the low replacement factor and the excellent safety factors provided by the metal pallets in stacking ability and stability. All depots are utilizing conex containers to consolidate shipments destined for one station. A 17-man second shift was installed at [] to effectively meet requirements, reduce overtime, and improve support to Agency components through more effective utilization of manpower and equipment.

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(8) Supply Division Operations. During this period, support to FE Division projects () resulted in a tremendous increase in Supply Division workload. Supply Division chain of command was streamlined in eliminating the dual deputy concept. A TWX installation was activated linking Supply Division Headquarters, the () and overseas stations. This has increased the efficiency of supply operations by allowing direct communications between interested components.

8. Transportation Division

Budget and personnel data on the Transportation Division appear on Chart No. 17. The reduction in personal services and funds requirements during FY 63 reflects the transfer of certain motor pool functions to the Logistics Services Division.

Chart No. 18 describes work accomplished and the general trends in workload for movement of cargo and household effects. The peak in Cargo Branch activity in FY 59 and FY 60 is due principally to the activation of (). During this period approximately 30,000 tons of materiel were relocated from () to this new installation. Transportation requirements to support WH projects account for the increase in cargo activity during FY 61 and 62, and the recent increase in number of truck trips is caused by greater distance traveled to service the Headquarters Building and other Agency elements that have been relocated throughout the area.

9. Summary

The foregoing charted data describe the direction of the trends in work accomplished, number of personnel, and total cost of Office of Logistics operations. Chart No. 19 is of interest because it shows the correlation between workload trends of the three operating elements: Supply, Procurement, and Transportation Divisions. In general, this analysis indicates that while the Office of Logistics has experienced a continuing increase in workload, the additional support requirements have been met through improvements in procedures and systems, re-alignment of functions, personnel increases, and the introduction of new mechanical and automated processes.